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Mexico

FAIRS Product Specific

Estimated Price System to be Applied to Imports of Poultry in Brine

2001

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Report Highlights:

On December 29, 2000, Mexico's Secretariat of Treasury (SHCP) announced in the *Diario Oficial* (Federal Register) that starting December 30, 2000, it would impose an estimated price system on imported poultry meat, salted or in brine, for the purpose of calculating the duty. It took this action to discourage alleged underinvoicing on these products.

Introduction: This report comments on the resolution that establishes a Customs cash account system on products subject to an estimated price system published in Mexico's "*Diario Oficial*" (Federal Register) on December 29,2000.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Resolution which modifies the resolution previously published concerning the implementation of a Customs cash account system to guarantee the payment of duties on merchandise subject to estimated prices by the Secretariat of Treasury (SHCP), published on August 31, 1999.

FAS/Mexico's Executive Summary: The Secretariat of Treasury announces the addition of new products to the estimated price system to take effect on December 30, 2000. Poultry meat, salted or in brine is one of the products which SHCP adds to the new estimated price system to prevent or discourage alleged under-invoicing

H.S. CODE	PRODUCT	UNIT	ESTIMATED PRICE (US\$ per UNIT)	DUTY 2001
0210.9003	Poultry meat, salted or in brine	Kg.	0.641	2 %

Important Dates

Publication Date: December 29, 2000
 Effective Date: December 30, 2000

Products Affected: Poultry meat, salted or in brine

Agency in Charge: Secretariat of Treasury (SHCP)

Additional information:

In 1994, SHCP created the concept of "estimated prices" which was intended mainly for goods that were being imported at a price below the prevailing market prices -- under invoicing. These prices, as implied by their name, are "estimated" prices. SHCP, using price lists, data from Mexican producers, as well as other sources of information, derives an "estimated" price for the selected products. Importers of poultry meat (salted or in brine) will have to put a deposit against

the difference of the duty between the estimated price and the "export value" (including transportation costs and broker's fees) if the latter is lower.

This action follows SCHP's September 14, 2000, announcement in the *Diario Oficial* (Mexico's Federal Register) the implementation of a Customs Cash Account system, that went into effective October 1, 2000. This system requires importers to deposit in a bank account 100 percent of duties assessed on the difference between the actual invoice value (including transportation costs and broker's fees) and the value of the shipment based on a predetermined "estimated" price (reference price). Wine, beer, pasta, wood products, rice and apples are other products affected by the estimated price scheme and consequently the Customs Cash Account system. For additional information on the Customs Cash Account system see report MX0156.

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Internet Connections

FAS Mexico Web Site: We are available at http://www.atomexico.gob.mx or visit our headquarter's home page at http://www.fas.usda.gov for a complete selection of FAS' worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGAR) can be found at www.sagar.gob.mx and Mexico's equivalent of the Department of Commerce (SECOFI) can be found at www.secofi.gob.mx These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.